

Restricted Substances Data Exchange: Large and Small Company Perspectives

Jennifer Shepherd

Canyon Snow Consulting LLC

Presentation Outline

- Drivers for substance-level data exchange
- Emerging solutions and different approaches
- Small and large company dynamics: the electronics industry
- Case Studies
- Conclusions

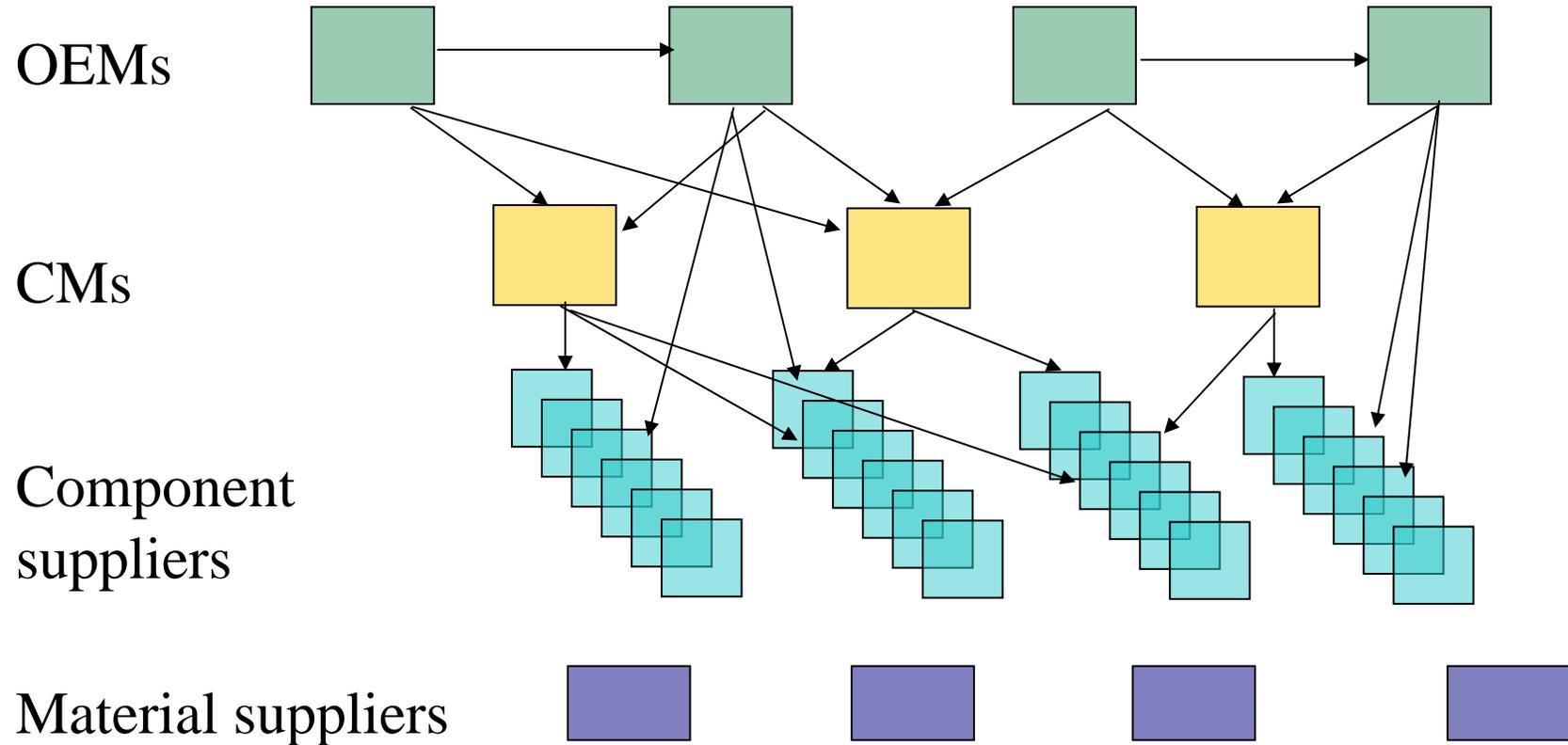
Drivers for Data

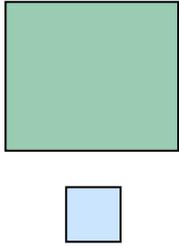
- RoHS (the elephant in the room)
- Other legislation and regulations (US States, China, etc.)
- Voluntary programs
- Large OEM commitments and programs
- Other industries (automotive, etc.)

Solutions and Approaches

- Questionnaires, surveys, forms, data requests, phone calls, threatening letters, threatening phone calls...
- Multiple recipients, multiple senders
- Standardized data, standardized formats
- Formal exchange mechanisms and data management systems

Electronics Industry Relationships





Large OEM + Small Supplier

- Common dynamic
- OEM brings pressure on supplier to meet information requirements
- Supplier responding to many OEMs, CMs
- Supplier cost burden increased
- Supplier may yet have leverage in the relationship

Case Study #1



Small OEM + Large Supplier

- Small OEMs must declare substance content with fewer resources
- Reduced spend power with suppliers – more difficult to obtain data and responses
- Reduced ability to dictate content and format of substance data
- Customer can still drive behavior in supplier (gross margin contribution)

Case Study #2



Small OEM + Large CM

- Also common in the industry
- Supplier must evaluate and respond to business need of largest customers and main source of revenue
- Customer can still drive behavior in supplier (gross margin contribution)
- Cost must be absorbed or passed through

Case Study #3

Conclusions

- There is a need for substance-level data
- Complexity of industry supply chain is driving a need for standardization
- Imbalance in company size and leverage creates unexpected dynamics
- Lessons learned can be applied to other information exchange: CSR, diversity, etc.

Thank you

Jennifer Shepherd

408-421-3435

jennifershepherd@canyonsnow.com

www.canyonsnow.com

*Expert resources for environmental compliance,
government affairs, and corporate social responsibility*